GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3601
ANSWERED ON:17.04.2008
SALE OF MEDICINES AT EXORBITANT PRICES
Kathiria Dr. Vallabhbhai

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether out of 2600 variety of drugs prices fixed by the National Pharmaceutical Pricing Authority, 87% of drug variety prices are 50% to 500% more in the market.

(b) if so, the details thereof and reasons therefor;

(c) whether the ointment for skin diseases, drops for eyes, pain killer tablets and blood pressure medicines are all sold at an exorbitant prices by the companies; and

(d) if so, the remedial measures taken/proposed to be taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS AND MINISTER OF STATE IN THE MINISTRY OF MINES(SHRI B.K. HANDIQUE)

(a) to (d): National Pharmaceutical Pricing Authority (NPPA) has no specific information that out of 2600 variety of drugs prices fixed by the National Pharmaceutical Pricing Authority, 87% of drug variety prices are 50% to 500% more in the market.

The 74 bulk drugs specified in the First Schedule of the Drugs (Prices Control) Order, 1995 (DPCO, 95) and the formulations based thereon are under price control and their prices are fixed/revised by the National Pharmaceutical Pricing Authority (NPPA) in accordance with the provisions of the DPCO, 95.For any violation of prices fixed by NPPA, action is taken under provisions of para 13 of DPCO,1995.

Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view the various factors like cost of production,marketing/selling expenses,R&D expenses,trade commission,market competition,product innovation,product quality etc.The Government takes corrective measures where the public interest is found to be adversely affected.

F. No. 1/13/08-PI.I GOVERNMENT OF INDIA MINISTRY OF CHEMICALS AND FERTILIZERS DEPARTMENT OF CHEMICALS AND PETROCHEMICALS (PI-1 Desk)

Subject: Lok Sabha USQ. No. 3601 for answer on 17.4.2008 regarding Sale of Medicines at Exorbitant Prices.

This relates to Lok Sabha USQ. No. 3601 for answer on 17.4.2008 regarding Sale of Medicines at Exorbitant Prices asked by Dr. Vallabhabhai Kathiria.The question seeks information as to whether out of 2600 variety of drugs prices fixed by the National Pharmaceutical Pricing Authority.87% of drug variety prices are 500% more in the market,if so,the details thereof and reasons therefore, whether the ointment for skin diseases,drops for eyes,pain killer tablets and blood pressure medicines are all sold at an exorbitant prices by the companies;and if so, the remedial measures taken/proposed to be taken by the Government in this regard.

Reply received from the National Pharmaceutical Pricing Authority (NPPA) may please be seen at pages 3-5/c.Regarding part (a),NPPA has stated that it has no specific information that out of 2600 variety of drugs prices fixed by the National Pharmaceutical Pricing Authority, 87% of drug variety prices are 50% to 500% more in the market or the Scheduled ointment for skin diseases, drops for eyes,pain killer tablets and blood pressure medicines are all sold at an exorbitant prices by the companies.This was also discussed with Shri Kaushal, Director, NPPA by DS(PI) and he has confirmed that NPPA has no specific information on this issue.

In this context it is also stated that the 74 bulk drugs specified in the First Schedule of the Drugs (Prices Control) Order,1995 (DPCO, 95) and the formulations based thereon are under price control and their prices are fixed/revised by the National Pharmaceutical Pricing Authority

(NPPA) in accordance with the provisions of the DPCO,95.For any violation of prices fixed by NPPA, action is taken under provisions of para 13 of DPCO,1995.

Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view the various factors like cost of production, marketing/selling expenses, R&D expenses, trade commission, market competition,product innovation,product quality etc.The Government takes corrective measures where the public interest is found to be adversely affected. Based on available

information a draft reply to parts (a) to (d) of the question has been attempted and submitted for kind consideration/approval of Hon'ble Minister of State (C&F&Mines).

(J.S. SIDHU) UNDER SECRETARY(PI) 16-4-2008

DEPUTY SECRETARY (PI)